

IC 21-2-5.5

Chapter 5.5. Repair and Replacement Fund

IC 21-2-5.5-1

Authority to establish fund

Sec. 1. The governing body of each school corporation in the state may establish a repair and replacement fund in accord with this chapter.

As added by Acts 1978, P.L.120, SEC.1.

IC 21-2-5.5-2

Use of fund; appropriation; investment of balance

Sec. 2. The repair and replacement fund shall be used solely for the repair of buildings and the repair and replacement of building fixtures that are owned or leased by the school corporation and that are of a type constituting loss capable of being covered by casualty insurance. Expenditures from this fund shall be made only after appropriation in the school corporation annual budget or by an additional appropriation under IC 6-1.1-18-5. The fund may extend for a specified number of years, not to exceed five (5), and for a specified annual amount permitted to be expended during each year. The unexpended balance in the fund at the close of a calendar year carries forward in the fund to the next calendar year. The amount to be expended is composed of any balance in the fund at the beginning of the year and any transfers into the fund from the capital projects fund or the general fund made without appropriation. Any balance in the repair and replacement fund from time to time may be invested in the manner provided for investment of general fund moneys and the net proceeds from the investment become a part of the repair and replacement fund.

As added by Acts 1978, P.L.120, SEC.1. Amended by P.L.41-1993, SEC.41.

IC 21-2-5.5-3

Procedure for establishment of fund

Sec. 3. The procedure for establishing a repair and replacement fund is the same as the procedure to be used in making an additional appropriation under IC 6-1.1-18-5. The resolution of the governing body must be in the form prescribed by the department of local government finance and must contain at least the following:

- (1) The annual amount permitted to be expended from the fund each year.
- (2) The duration of the fund, which may not exceed five (5) years.
- (3) That the sources for the fund for each year shall be from either the general fund or the capital projects fund, or both.

As added by Acts 1978, P.L.120, SEC.1. Amended by P.L.1-1991, SEC.138; P.L.41-1993, SEC.42; P.L.90-2002, SEC.422.

IC 21-2-5.5-4

Reduction or rescission of fund

Sec. 4. (a) The repair and replacement fund may be reduced or rescinded before its expiration by resolution of the governing body of the school corporation.

(b) Not later than August 1 of any year, ten (10) or more taxpayers in the taxing district may file with the county auditor of the county in which the taxing district is located a petition for reduction or rescission of the fund. The petition must set forth the taxpayers' objections to the fund. The petition shall be certified to the department of local government finance.

(c) Upon receipt of a petition under subsection (b), the department of local government finance shall, within a reasonable time, fix a date for a hearing on the petition. The hearing must be held in the county in which the taxing district is located. Notice of the hearing shall be given to the executive officer of the taxing unit and to the first ten (10) taxpayers whose names appear on the petition. The notice must be in the form of a letter signed by the commissioner or deputy commissioner of the department of local government finance, sent by mail with full prepaid postage to the executive officer and the taxpayers at their usual places of residence at least five (5) days before the date fixed for the hearing.

(d) After the hearing under subsection (c), the department of local government finance shall approve, disapprove, or modify the request for reduction or rescission of the fund and shall certify that decision to the county auditor of the county in which the taxing district is located.

(e) If the repair and replacement fund is rescinded under this section, any balance remaining shall be transferred to the school corporation's capital projects fund under IC 21-2-15.

As added by Acts 1978, P.L.120, SEC.1. Amended by P.L.41-1993, SEC.43; P.L.90-2002, SEC.423.

IC 21-2-5.5-5**Additional levy increases**

Sec. 5. Notwithstanding any of the provisions of this chapter, no additional levy increases are authorized by this chapter.

As added by Acts 1978, P.L.120, SEC.1.